# SB385

Measure Title: RELATING TO PROFESSIONAL AND VOCATIONAL

LICENSING.

Report Title: Professional and Vocational Licensing; Licensing

Sanctions; Student Loan Defaults

Repeals defaults on student loans, student loan

Description: repayment contracts, and scholarship contracts as

grounds for sanctioning professional and vocational

licenses.

Companion:

Package: None

Current Referral:

CPH

Introducer(s): DELA CRUZ, S. CHANG, INOUYE, KIDANI, K. Kahele,

Kanuha





DAVID Y. IGE
GOVERNOR

JOSH GREEN
LIEUTENANT GOVERNOR

## STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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### **Testimony of the Department of Commerce and Consumer Affairs**

Before the
Senate Committee on Commerce, Consumer Protection, and Health
Thursday, February 21, 2019
9:00 a.m.
State Capitol, Conference Room 229

### On the following measure: S.B. 385, RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING

Chair Baker and Members of the Committee:

My name is Charlene Tamanaha, and I am the Acting Licensing Administrator of the Department of Commerce and Consumer Affairs' (Department) Professional and Vocational Licensing Division (PVL). The Department takes no position on sections 1, 2, 3, 4, 5, and 8 of this bill and offers comments on sections 6, 7, 9, and 10.

The purpose of this bill is to repeal defaults on student loans, student loan repayment contracts, and scholarship contracts as grounds for sanctioning professional and vocational licenses.

This bill repeals Hawaii Revised Statutes (HRS) section 457-9(c) in section 6, HRS section 466J-8(d) in section 7, HRS section 436B-19.6 in its entirety in section 9, and HRS chapter 436C in its entirety in section 10. To date, there have been no initial or renewal license denials, suspensions, or revocations pursuant to these sections because PVL has not received any certification from an administering entity that a licensee or applicant is in default or breach, or past due under a repayment plan as required under HRS chapter 436C. Thank you for the opportunity to testify on this bill.

### Written Testimony Presented Before the Senate Committee on Commerce, Consumer Protection, and Health Hearing: February 21, 2019, 9:00 AM

By Members of





### SB 385 RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING

Chair Baker, Vice Chair Chang, and members of the Senate Committee on Commerce, Consumer Protection, and Health, thank you for this opportunity to provide testimony <u>in strong support</u> for SB385, Relating to Professional and Vocational Licensing.

We are members of the American Nurses Association in Hawaii, registered professional nurses practicing in this state, and duly licensed by the Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Division.

This bill endeavors to repeal a statute that allows the sanctioning of a professional license to practice on the grounds of default on student loan or such repayment. This could mean that a nurse who has incurred upwards of \$100,000 in student loans for a baccalaureate degree and who has passed all the subsequent requirements for professional licensing as a Registered Nurse, could be restricted in her/his ability to work, which is the source of repayment monies. This seems counter-productive. Further it is not our understanding that the consumer could be harmed by any failure of the board to monitor the financial situation of the licensee.

We respectfully request that SB 385 pass out of this committee, to repeal the indicated sections of Hawaii Revised Statutes 189-2. Thank you for your continued support for measures that address the needs of the community served by our profession.

#### Contact information:

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